

107TH CONGRESS  
2D SESSION

# S. 2183

To provide emergency agricultural assistance to producers of the 2002 crop.

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IN THE SENATE OF THE UNITED STATES

APRIL 17, 2002

Mr. HUTCHINSON introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To provide emergency agricultural assistance to producers  
of the 2002 crop.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Emergency Agricultural Assistance Act of 2002”.

6       (b) TABLE OF CONTENTS.—The table of contents of  
7       this Act is as follows:

Sec. 1. Short title; table of contents.

### TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Market loss assistance.

Sec. 102. Oilseeds.

Sec. 103. Peanuts.

Sec. 104. Honey.

Sec. 105. Wool and mohair.

- Sec. 106. Cottonseed.
- Sec. 107. Specialty crops.
- Sec. 108. Loan deficiency payments.
- Sec. 109. Payments in lieu of loan deficiency payments for grazed acreage.
- Sec. 110. Milk.
- Sec. 111. Pulse crops.
- Sec. 112. Tobacco.
- Sec. 113. Livestock feed assistance program.
- Sec. 114. Increase in payment limitations regarding loan deficiency payments and marketing loan gains.

## TITLE II—ADMINISTRATION

- Sec. 201. Obligation period.
- Sec. 202. Commodity Credit Corporation.
- Sec. 203. Regulations.

# 1           **TITLE I—MARKET LOSS** 2           **ASSISTANCE**

## 3   **SEC. 101. MARKET LOSS ASSISTANCE.**

4           (a) IN GENERAL.—The Secretary of Agriculture (re-  
5   ferred to in this Act as the “Secretary”) shall, to the max-  
6   imum extent practicable, use \$5,603,000,000 of funds of  
7   the Commodity Credit Corporation to make a market loss  
8   assistance payment to owners and producers on a farm  
9   that are eligible for a final payment for fiscal year 2002  
10   under a production flexibility contract for the farm under  
11   the Agricultural Market Transition Act (7 U.S.C. 7201  
12   et seq.).

13          (b) AMOUNT.—The amount of assistance made avail-  
14   able to owners and producers on a farm under this section  
15   shall be proportionate to the amount of the total contract  
16   payments received by the owners and producers for fiscal  
17   year 2002 under a production flexibility contract for the  
18   farm under the Agricultural Market Transition Act.

1 **SEC. 102. OILSEEDS.**

2 (a) IN GENERAL.—The Secretary shall use  
3 \$466,000,000 of funds of the Commodity Credit Corpora-  
4 tion to make payments to producers that planted a 2002  
5 crop of oilseeds (as defined in section 102 of the Agricul-  
6 tural Market Transition Act (7 U.S.C. 7202)).

7 (b) COMPUTATION.—A payment to producers on a  
8 farm under this section for an oilseed shall be equal to  
9 the product obtained by multiplying—

10 (1) a payment rate determined by the Sec-  
11 retary;

12 (2) the acreage determined under subsection  
13 (c); and

14 (3) the yield determined under subsection (d).

15 (c) ACREAGE.—

16 (1) IN GENERAL.—Except as provided in para-  
17 graph (2), the acreage of the producers on the farm  
18 for an oilseed under subsection (b)(2) shall be equal  
19 to the number of acres planted to the oilseed by the  
20 producers on the farm during the 1999, 2000, or  
21 2001 crop year, whichever is greatest, as determined  
22 by the Secretary.

23 (2) NEW PRODUCERS.—In the case of pro-  
24 ducers on a farm that planted acreage to a type of  
25 oilseed during the 2002 crop year but not the 1999,  
26 2000, or 2001 crop year, the acreage of the pro-

ducers for the type of oilseed under subsection (b)(2) shall be equal to the number of acres planted to the type of oilseed by the producers on the farm during the 2002 crop year, as determined by the Secretary.

(d) YIELD.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1997 through 2001 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1999, 2000, or 2001 crop year, as determined by the Secretary.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1997 through 2001 crop years, excluding the crop year with the

1           greatest yield per harvested acre and the crop  
2           year with the lowest yield per harvested acre; or

3           (B) the actual yield of the producers on  
4           the farm for the 1999, 2000, or 2001 crop  
5           year, as determined by the Secretary.

6           (3) NEW PRODUCERS.—In the case of pro-  
7           ducers on a farm that planted acreage to a type of  
8           an oilseed during the 2002 crop year but not the  
9           1999, 2000, or 2001 crop year, the yield of the pro-  
10          ducers on a farm under subsection (b)(3) shall be  
11          equal to the greater of—

12           (A) the average county yield per harvested  
13           acre for each of the 1997 through 2001 crop  
14           years, excluding the crop year with the greatest  
15           yield per harvested acre and the crop year with  
16           the lowest yield per harvested acre; or

17           (B) the actual yield of the producers on  
18           the farm for the 2002 crop.

19           (4) DATA SOURCE.—To the maximum extent  
20           available, the Secretary shall use data provided by  
21           the National Agricultural Statistics Service to carry  
22           out this subsection.

23 **SEC. 103. PEANUTS.**

24           (a) IN GENERAL.—The Secretary shall use not more  
25           than \$55,000,000 of funds of the Commodity Credit Cor-

1 poration to provide payments to producers of quota pea-  
 2 nuts or additional peanuts to partially compensate the  
 3 producers for continuing low commodity prices, and in-  
 4 creasing costs of production, for the 2002 crop year.

5 (b) AMOUNT.—The amount of a payment made to  
 6 producers on a farm of quota peanuts or additional pea-  
 7 nuts under subsection (a) shall be equal to the product  
 8 obtained by multiplying—

9 (1) the quantity of quota peanuts or additional  
 10 peanuts produced or considered produced on the  
 11 farm during the 2002 crop year; and

12 (2) a payment rate equal to—

13 (A) in the case of quota peanuts, \$30.50  
 14 per ton; and

15 (B) in the case of additional peanuts,  
 16 \$16.00 per ton.

17 (c) LOSSES.—The Secretary shall use such sums of  
 18 the Commodity Credit Corporation as are necessary to off-  
 19 set losses for the 2002 crop of peanuts described in section  
 20 155(d) of the Agricultural Market Transition Act (7  
 21 U.S.C. 7271(d)).

22 **SEC. 104. HONEY.**

23 (a) IN GENERAL.—The Secretary shall use  
 24 \$93,000,000 of funds of the Commodity Credit Corpora-  
 25 tion to make available recourse loans to producers of the

1 2002 crop of honey on fair and reasonable terms and con-  
 2 ditions, as determined by the Secretary.

3 (b) LOAN RATE.—The loan rate for a loan under sub-  
 4 section (a) shall be equal to 85 percent of the average  
 5 price of honey during the 5-crop year period preceding the  
 6 2002 crop year, excluding the crop year in which the aver-  
 7 age price of honey was the highest and the crop year in  
 8 which the average price of honey was the lowest in the  
 9 period.

10 (c) TERM OF LOAN.—A loan under this section shall  
 11 have a term of 9 months beginning on the first day of  
 12 the first month after the month in which the loan is made.

13 **SEC. 105. WOOL AND MOHAIR.**

14 (a) IN GENERAL.—The Secretary shall use  
 15 \$10,000,000 of funds of the Commodity Credit Corpora-  
 16 tion to provide a supplemental payment under section 814  
 17 of the Agriculture, Rural Development, Food and Drug  
 18 Administration, and Related Agencies Appropriations Act,  
 19 2001 (114 Stat. 1549, 1549A–55), to producers of wool,  
 20 and producers of mohair, for the 2002 marketing year  
 21 that received a payment under that section.

22 (b) PAYMENT RATE.—The Secretary shall adjust the  
 23 payment rate specified in that section to reflect the  
 24 amount made available for payments under this section.

1 **SEC. 106. COTTONSEED.**

2       The Secretary shall use \$100,000,000 of funds of the  
3 Commodity Credit Corporation to provide assistance to  
4 producers and first-handlers of the 2002 crop of cotton-  
5 seed.

6 **SEC. 107. SPECIALTY CROPS.**

7       (a) DEFINITION OF SPECIALTY CROP.—In this sec-  
8 tion, the term “specialty crop” means any agricultural  
9 commodity, other than wheat, feed grains, oilseeds, cotton,  
10 rice, peanuts, or tobacco.

11       (b) GRANTS.—The Secretary shall use \$150,000,000  
12 of funds of the Commodity Credit Corporation to make  
13 a grant to each State in an amount that represents the  
14 proportion that—

15               (1) the value of specialty crop production in the  
16 State; bears to

17               (2) the value of specialty crop production in all  
18 States.

19       (c) USE.—As a condition of the receipt of a grant  
20 under this section, a State shall agree to use the grant  
21 to support specialty crops.

22       (d) PURCHASES FOR SCHOOL NUTRITION PRO-  
23 GRAMS.—The Secretary shall use not less than  
24 \$55,000,000 of the funds made available under subsection  
25 (a) to purchase agricultural commodities of the type dis-  
26 tributed under section 6(a) of the Richard B. Russell Na-



1 tional School Lunch Act (42 U.S.C. 1755(a)) for distribu-  
 2 tion to schools and service institutions in accordance with  
 3 section 6(a) of that Act.

4 **SEC. 108. LOAN DEFICIENCY PAYMENTS.**

5 Section 135 of the Federal Agriculture Improvement  
 6 and Reform Act of 1996 (7 U.S.C. 7235) is amended—

7 (1) in subsection (a)(2), by striking “the 2000  
 8 crop year” and inserting “each of the 2000 through  
 9 2002 crop years”; and

10 (2) by striking subsections (e) and (f) and in-  
 11 serting the following:

12 “(e) BENEFICIAL INTEREST.—

13 “(1) IN GENERAL.—A producer shall be eligible  
 14 for a payment for a loan commodity under this sec-  
 15 tion only if the producer has a beneficial interest in  
 16 the loan commodity, as determined by the Secretary.

17 “(2) APPLICATION.—The Secretary shall make  
 18 a payment under this section to the producers on a  
 19 farm with respect to a quantity of a loan commodity  
 20 as of the earlier of—

21 “(A) the date on which the producers on  
 22 the farm marketed or otherwise lost beneficial  
 23 interest in the loan commodity, as determined  
 24 by the Secretary; or

1                   “(B) the date the producers on the farm  
2                   request the payment.”.

3 **SEC. 109. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**  
4 **MENTS FOR GRAZED ACREAGE.**

5           (a) IN GENERAL.—Subtitle C of title I of the Federal  
6 Agriculture Improvement and Reform Act of 1996 (7  
7 U.S.C. 7231 et seq.) is amended by adding at the end  
8 the following:

9 **“SEC. 138. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**  
10 **MENTS FOR GRAZED ACREAGE.**

11           “(a) IN GENERAL.—For the 2002 crop of wheat,  
12 grain sorghum, barley, and oats, in the case of the pro-  
13 ducers on a farm that would be eligible for a loan defi-  
14 ciency payment under section 135 for wheat, grain sor-  
15 ghum, barley, or oats, but that elects to use acreage plant-  
16 ed to the wheat, grain sorghum, barley, or oats for the  
17 grazing of livestock, the Secretary shall make a payment  
18 to the producers on the farm under this section if the pro-  
19 ducers on the farm enter into an agreement with the Sec-  
20 retary to forgo any other harvesting of the wheat, grain  
21 sorghum, barley, or oats on the acreage.

22           “(b) PAYMENT AMOUNT.—The amount of a payment  
23 made to the producers on a farm under this section shall  
24 be equal to the amount obtained by multiplying—

1           “(1) the loan deficiency payment rate deter-  
2           mined under section 135(c) in effect, as of the date  
3           of the agreement, for the county in which the farm  
4           is located; by

5           “(2) the payment quantity obtained by  
6           multiplying—

7                   “(A) the quantity of the grazed acreage on  
8                   the farm with respect to which the producers on  
9                   the farm elect to forgo harvesting of wheat,  
10                  grain sorghum, barley, or oats; and

11                  “(B) the payment yield for that contract  
12                  commodity on the farm.

13           “(c) TIME, MANNER, AND AVAILABILITY OF PAY-  
14           MENT.—

15                  “(1) TIME AND MANNER.—A payment under  
16                  this section shall be made at the same time and in  
17                  the same manner as loan deficiency payments are  
18                  made under section 135.

19                  “(2) AVAILABILITY.—The Secretary shall estab-  
20                  lish an availability period for the payment author-  
21                  ized by this section that is consistent with the avail-  
22                  ability period for wheat, grain sorghum, barley, and  
23                  oats established by the Secretary for marketing as-  
24                  sistance loans authorized by this subtitle.

1       “(d) PROHIBITION ON CROP INSURANCE OR NON-  
 2 INSURED CROP ASSISTANCE.—The producers on a farm  
 3 shall not be eligible for insurance under the Federal Crop  
 4 Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop  
 5 assistance under section 196 with respect to a crop of  
 6 wheat, grain sorghum, barley, or oats planted on acreage  
 7 that the producers on the farm elect, in the agreement  
 8 required by subsection (a), to use for the grazing of live-  
 9 stock in lieu of any other harvesting of the crop.”.

10 **SEC. 110. MILK.**

11       Section 141 of the Agricultural Market Transition  
 12 Act (7 U.S.C. 7251) is amended by striking “May 31,  
 13 2002” each place it appears and inserting “December 31,  
 14 2002”.

15 **SEC. 111. PULSE CROPS.**

16       (a) IN GENERAL.—The Secretary shall use  
 17 \$20,000,000 of funds of the Commodity Credit Corpora-  
 18 tion to provide assistance in the form of a market loss  
 19 assistance payment to owners and producers on a farm  
 20 that grow a 2002 crop of dry peas, lentils, or chickpeas  
 21 (collectively referred to in this section as a “pulse crop”).

22       (b) COMPUTATION.—A payment to owners and pro-  
 23 ducers on a farm under this section for a pulse crop shall  
 24 be equal to the product obtained by multiplying—

1           (1) a payment rate determined by the Sec-  
2       retary; by

3           (2) the acreage of the producers on the farm  
4       for the pulse crop determined under subsection (c).  
5       (c) ACREAGE.—

6           (1) IN GENERAL.—The acreage of the pro-  
7       ducers on the farm for a pulse crop under subsection  
8       (b)(2) shall be equal to the number of acres planted  
9       to the pulse crop by the owners and producers on  
10      the farm during the 1999, 2000, or 2001 crop year,  
11      whichever is greatest.

12          (2) BASIS.—For the purpose of paragraph (1),  
13      the number of acres planted to a pulse crop by the  
14      owners and producers on the farm for a crop year  
15      shall be based on (as determined by the Sec-  
16      retary)—

17            (A) the number of acres planted to the  
18            pulse crop for the crop year by the owners and  
19            producers on the farm, including any acreage  
20            that is included in reports that are filed late; or

21            (B) the number of acres planted to the  
22            pulse crop for the crop year for the purpose of  
23            the Federal crop insurance program established  
24            under the Federal Crop Insurance Act (7  
25            U.S.C. 1501 et seq.).

1 **SEC. 112. TOBACCO.**

2 (a) PAYMENTS.—The Secretary shall use  
 3 \$100,000,000 of funds of the Commodity Credit Corpora-  
 4 tion to provide supplemental payments to owners, control-  
 5 lers, and growers of tobacco for which a basic quota or  
 6 allotment is established for the 2002 crop year under part  
 7 I of subtitle B of title III of the Agricultural Adjustment  
 8 Act of 1938 (7 U.S.C. 1311 et seq.), as determined by  
 9 the Secretary.

10 (b) LOAN FORFEITURES.—Notwithstanding sections  
 11 106 through 106B of the Agricultural Act of 1949 (7  
 12 U.S.C. 1445 through 1445–2)—

13 (1) a producer-owned cooperative marketing as-  
 14 sociation may fully settle (without further cost to the  
 15 Association) a loan made for each of the 2000 and  
 16 2001 crops of types 21, 22, 23, 35, 36, and 37 of  
 17 an agricultural commodity under sections 106  
 18 through 106B of that Act by forfeiting to the Com-  
 19modity Credit Corporation the agricultural com-  
 20modity covered by the loan regardless of the condi-  
 21tion of the commodity;

22 (2) any losses to the Commodity Credit Cor-  
 23poration as a result of paragraph (1)—

24 (A) shall not be charged to the Account (as  
 25 defined in section 106B(a) of that Act); and

1 (B) shall not affect the amount of any as-  
 2 sessment imposed against the commodity under  
 3 sections 106 through 106B of that Act; and

4 (3) the commodity forfeited pursuant to this  
 5 subsection—

6 (A) shall not be counted for the purposes  
 7 of any determination for any year pursuant to  
 8 section 319 of the Agricultural Adjustment Act  
 9 of 1938 (7 U.S.C. 1314e); and

10 (B) may be disposed of in a manner deter-  
 11 mined by the Secretary of Agriculture, except  
 12 that the commodity may not be sold for use in  
 13 the United States for human consumption.

14 **SEC. 113. LIVESTOCK FEED ASSISTANCE PROGRAM.**

15 The Secretary shall use \$500,000,000 of funds of the  
 16 Commodity Credit Corporation to provide livestock feed  
 17 assistance to livestock producers affected by disasters dur-  
 18 ing calendar year 2001 or 2002.

19 **SEC. 114. INCREASE IN PAYMENT LIMITATIONS REGARDING**  
 20 **LOAN DEFICIENCY PAYMENTS AND MAR-**  
 21 **KETING LOAN GAINS.**

22 Notwithstanding section 1001(2) of the Food Secu-  
 23 rity Act of 1985 (7 U.S.C. 1308(1)), the total amount of  
 24 the payments specified in section 1001(3) of that Act (7  
 25 U.S.C. 1308(3)) that a person shall be entitled to receive

1 for 1 or more contract commodities and oilseeds under the  
 2 Agricultural Market Transition Act (7 U.S.C. 7201 et  
 3 seq.) during the 2002 crop year may not exceed \$150,000.

## 4 **TITLE II—ADMINISTRATION**

### 5 **SEC. 201. OBLIGATION PERIOD.**

6 The Secretary and the Commodity Credit Corpora-  
 7 tion shall obligate funds only during fiscal year 2002 to  
 8 carry out this Act and the amendments made by this Act  
 9 (other than sections 106, 107, and 110).

### 10 **SEC. 202. COMMODITY CREDIT CORPORATION.**

11 Except as otherwise provided in this Act, the Sec-  
 12 retary shall use the funds, facilities, and authorities of the  
 13 Commodity Credit Corporation to carry out this Act.

### 14 **SEC. 203. REGULATIONS.**

15 (a) IN GENERAL.—The Secretary may promulgate  
 16 such regulations as are necessary to implement this Act  
 17 and the amendments made by this Act.

18 (b) PROCEDURE.—The promulgation of the regula-  
 19 tions and administration of the amendments made by this  
 20 Act shall be made without regard to—

21 (1) the notice and comment provisions of sec-  
 22 tion 553 of title 5, United States Code;

23 (2) the Statement of Policy of the Secretary of  
 24 Agriculture effective July 24, 1971 (36 Fed. Reg.



1       13804), relating to notices of proposed rulemaking  
2       and public participation in rulemaking; and

3           (3) chapter 35 of title 44, United States Code  
4       (commonly known as the “Paperwork Reduction  
5       Act”).

6       (c) CONGRESSIONAL REVIEW OF AGENCY RULE-  
7       MAKING.—In carrying out this section, the Secretary shall  
8       use the authority provided under section 808 of title 5,  
9       United States Code.

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